

Message Text

LIMITED OFFICIAL USE

PAGE 01 SAN JO 04695 052106Z

70

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 CIAE-00 COME-00 DODE-00 DOTE-00

FMC-01 INR-07 NSAE-00 CG-00 OFA-01 DLOS-04 H-02 L-03

SS-15 /047 W

----- 014670

R 051825Z NOV 75

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC 1943

INFO AMCONSUL BELIZE

AMEMBASSY BOGOTA

AMEMBASSY BRIDGETOWN

AMEMBASSY CARACAS

AMEMBASSY GEORGETOWN

AMEMBASSY GUATEMALA

AMEMBASSY KINGSTON

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

AMEMBASSY PORT AU PRINCE JUYQ

AMEMBASSY SAN SALVADOR

AMEMBASSY SANTO DOMINGO

AMEMBASSY TEGUCIGALPA

AMEMBASSY MEXICO

LIMITED OFFICIAL USE SAN JOSE 4695

E.O. 11652: N/A

TAGS: EALR, EWWT, ETRD, CS

SUBJECT: SHIPPING: NAMUCAR

REF: MEXICO 9349, BOGOTA 10420, ECONOMIC ALERT LIST

1. THE EXTRAORDINARY SESSION OF PLENIPOTENTIARIES FROM THE EIGHT COUNTRIES (COLOMBIA, CUBA, CUBA, COSTA RICA, JAMAICA, MEXICO, NICARAGUA, PANAMA AND VENEZUELA) PARTICIPATING IN THE NAVIERA MULTINACIONAL DEL CARIBE (NAMUCAR) ENDED ON FRIDAY, OCTOBER 31. ACCORDING TO THE PRESS, THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SAN JO 04695 052106Z

FOLLOWING RESULTS WERE ACHIEVED:

A. COSTA RICA WILL BE THE HEADQUARTERS FOR THE FLEET.
B. THE SHIP INVOLVED WILL FLY THE FLAG OF PANAMA.
C. A SIX-VOLUME, 450-PAGE FEASIBILITY STUDY WAS APPROVED. AS RECOMMENDED BY THE FEASIBILITY STUDY, THE SHIPS WILL BE OF SMALL TONNAGE TO ALLOW THEM TO ENTER SHALLOW-DRAFT PORTS. THE SHIPPING ROUTES WILL RUN IN BOTH A CLOCKWISE AND COUNTER-CLOCKWISE DIRECTION, TOUCHING THE EIGHT PARTICIPATING NATIONS.
D. SINCE ONE OF THE PRINCIPAL AIMS OF THE FLEET IS THE OPENING OF NEW MARKETS, A SPECIAL ROUTE, CALLED THE EASTERN ROUTE, ENCOMPASSING COLOMBIA, VENEZUELA, THE ANTILLES, HAITI AND JAMAICA WILL ALSO BE ESTABLISHED.
E. INSURANCE BY THE FLEET WILL BE PROVIDED BY A POOL ESTABLISHED BY THE MEMBER COUNTRIES. THE POOL WILL IN TURN BE REINSURED ABROAD.
F. NAMUCAR WILL BE DIRECTED BY AN ADMINISTRATIVE COUNCIL CONSISTING OF ONE COUNCILLOR AND ONE ALTERNATE FROM EACH OF THE PARTICIPATING COUNTRIES. THE COUNCIL WILL WORK WITH THE PERMANENT SECRETARIAT ESTABLISHED IN SAN JOSE. THE FIRST PRESIDENT OF THE COUNCIL WILL BE THE MEXICAN COUNCILLOR.
G. PARTICIPATING COUNTRIES WILL BE ASSESSED \$3,750,000 EACH PAYABLE IN INSTALLMENTS BEGINNING THIS DECEMBER AND TERMINATING IN DECEMBER OF 1979. SINCE NAMUCAR IS A MIXED ENTERPRISE, PUBLIC SHARES WILL ALSO BE SOLD SOMETIME NEXT YEAR.
H. THE SECRETARY GENERAL OF SELA WILL BE INVITED TO THE SIGNING OF THE CONSTITUTING ARTICLES ON DECEMBER 1, 1975. THE INVITATION IS EXTENDED TO THE SECRETARY GENERAL IN ORDER TO ESTABLISH CLOSER TIES BETWEEN NAMUCAR AND SELA. ACCORDING TO THE MEXICAN DELEGATE, RICARDO CHAZARO LARA, THE INVITATION IS EXTENDED BECAUSE NAMUCAR IS THE FIRST VENTURE ESTABLISHED UNDER PRINCIPLES ENUNCIATED BY SELA, NAMELY THAT MULTI-NATIONAL (IN THE SENSE OF OWNED BY MANY NATIONS) ENTERPRISES SHOULD BE ESTABLISHED IN LATIN AMERICAN COUNTRIES TO PROMOTE THE ECONOMIC INTEGRATION OF THE AREA AND TO DEFEND THE LATIN AMERICAN COUNTRIES AGAINST THE LARGE TRANSNATIONAL CONSORTIA.

2. EMBOFF TALKED TO ONE OF THE MEMBERS OF THE COSTA RICAN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 SAN JO 04695 052106Z

DELEGATION TO THE EXTRAORDINARY SESSION. HE WAS ABLE TO CONFIRM THE DETAILS SUMMARIZED ABOVE AND ADDED HIS CANDID OPINIONS OF THE VENTURE. COSTA RICA IS NOT CONVINCED THAT NAMUCAR WILL BE A COMMERCIAL SUCCESS, AT LEAST NOT IN THE NEAR FUTURE. RATHER, COSTA RICA IS WILLING TO PARTICIPATE BECAUSE IT SEES THE FLEET AS A DEVELOPMENT TOOL, SPECIFICALLY A MEANS TO OPEN NEW MARKETS FOR EXPORTS.

3. HE ALSO CONFIRMED THAT ON DECEMBER 1, 1975, THE PARTICIPATING NATIONS WILL MEET IN SAN JOSE TO SIGN THE CONSTITUTING ARTICLES AND PAY THEIR FIRST CONTRIBUTION OF \$500,000 EACH. HE FEELS THAT THE ONLY COUNTRIES WHOSE PARTICIPATION IS IN DOUBT ARE JAMAICA-- BECAUSE OF FINANCIAL PROBLEMS-- AND COLOMBIA-- BECAUSE OF INTERNAL PRESSURES NOT TO PARTICIPATE. IN SPEAKING OF INTERNAL PRESSURES HE MENTIONED THE JOINT VENTURE IN THE CARIBBEAN OF FLOTA MERCANTE GRANCOLOMBIANA AND NOPAL DESCRIBED IN MEXICO 9349. ACCORDING TO HIM, THE OTHER NAMUCAR MEMBER COUNTRIES ARE WARY OF COLOMBIA'S INTENTIONS AND, THEREFORE, WANT TO GET NAMUCAR GOING BEFORE COLOMBIA'S VENTURE GETS A HEAD START.

4. FINALLY, THE COSTA RICAN OFFICIAL STATED THAT HE FELT CONFIDENT THAT THE FLEET WOULD BE OPERATING SOMETIME IN JANUARY. HE CHARACTERIZED THE FIRST SAILINGS AS EXPERIMENTS TO TEST THE ASSUMPTIONS ON WHICH THE FLEET IS BASED. ACCORDING TO HIM, THE EXPERIENCE GAINED DURING THE FIRST MONTHS OF THE EFFORT WILL DETERMINE THE FINAL SHIPPING ROUTES AND SCHEDULES. PUERTO RICO WILL NOT BE INCLUDED IN THE ROUTES.
TODMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEAMSHIP LINES, MULTINATIONAL CORPORATIONS, MEETINGS, ESTABLISHMENT OF OFFICES, GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 05 NOV 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975SANJO04695
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750385-0338
From: SAN JOSE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751172/aaaacmcs.tel
Line Count: 139
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 MEXICO 9349, 75 BOGOTA 10420
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 03 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 SEP 2003 by BoyleJA>; APPROVED <18 DEC 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SHIPPING: NAMUCAR
TAGS: EALR, EWWT, ETRD, CS, XL, NAMUCAR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006